

Lori E. Andrus (SBN# 205816)  
lori@andrusanderson.com  
ANDRUS ANDERSON LLP  
155 Montgomery Street, Suite 900  
San Francisco, CA 94104  
Tel: (415) 986-1400 | Fax: (415) 986-1474

Joseph M. Sellers (admitted pro hac vice)  
jsellers@cohenmilstein.com  
Christine E. Webber (admitted pro hac vice)  
cwebber@cohenmilstein.com  
Phoebe Wolfe (admitted pro hac vice)  
pwolfe@cohenmilstein.com  
COHEN MILSTEIN SELLERS & TOLL PLLC  
1100 New York Ave. NW, Fifth Floor  
Washington, DC 20005  
Tel: (202) 408-4600 | Fax: (202) 408-4699

James Kan (SBN 240749)  
jkan@dhkl.law  
Stephanie E. Tilden (SBN 341486)  
stilden@dhkl.law  
DARDARIAN HO KAN & LEE  
155 Grand Avenue, Suite 900  
Oakland, CA 94612  
Tel: (510) 763-9800 | Fax: (510) 835-1417

*Attorneys for Plaintiffs, the Certified Class,  
and Aggrieved Employees*

[Additional Counsel of Record listed on the next page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

LARONDA RASMUSSEN, et al.,  
  
Plaintiffs,  
  
vs.  
  
THE WALT DISNEY COMPANY, et al.,  
  
Defendants.

Civil Case No.: 19STCV10974

CLASS ACTION

ASSIGNED FOR ALL PURPOSES TO:  
Hon. Elihu M. Berle

**MEMORANDUM OF POINTS AND  
AUTHORITIES IN SUPPORT OF  
PLAINTIFFS' MOTION FOR FINAL  
APPROVAL OF CLASS AND  
REPRESENTATIVE ACTION  
SETTLEMENT**

Date: September 15, 2025  
Time: 9:00 a.m.  
Location: Dept. 6

Electronically FILED by  
Superior Court of California,  
County of Los Angeles  
7/15/2025 1:40 PM  
David W. Slayton,  
Executive Officer/Clerk of Court,  
By K. Valenzuela, Deputy Clerk

1 Barry Goldstein, Of Counsel (SBN 141868)  
2 barry@goldsteinbrowne.com  
3 Byron Goldstein (SBN 289306)  
4 byron@goldsteinbrowne.com  
5 GOLDSTEIN BROWNE, PC  
6 1111 Broadway 3rd Floor, Office 04-117  
7 Oakland, CA 94607  
8 Tel: (510) 584-9020

9 *Attorneys for Plaintiffs, the Class, and Aggrieved Employees*

## TABLE OF CONTENTS

	<b>Page</b>
I. INTRODUCTION .....	1
II. RELEVANT BACKGROUND .....	2
A. Litigation History and Preliminary Approval.....	2
B. The Settlement.....	4
1. Monetary Relief.....	4
2. Non-Monetary Relief.....	6
3. Class Definition and Class Period .....	7
4. Settlement Administrator and Administration Costs.....	7
5. Tax Treatment of Settlement Payments .....	7
6. Scope of Release and Final Judgment .....	8
C. Notice Provided to the LWDA .....	8
D. The Named Plaintiffs' Separately Negotiated Settlement of Individual, Non- Class Promotion Claims. ....	9
E. The Court-Approved Settlement Notice Was Successfully Distributed to Settlement Class Members. ....	9
III. THE COURT SHOULD GIVE FINAL APPROVAL TO THE SETTLEMENT BECAUSE IT IS FAIR, REASONABLE, AND ADEQUATE.....	10
A. The Two-Step Approval Process.....	10
B. The Settlement Merits a Final Finding of Reasonableness. ....	10
1. The Risks, Delay, and Expenses Plaintiffs and the Class Would Face Absent Settlement Are Substantial. ....	11
2. In Light of Significant Litigation Risks, the Settlement Provides Reasonable Compensation for Settlement Class Members' Damages and Meaningful Non-Monetary Relief. ....	13
a. The Settlement Provides Significant Compensation for Settlement Class Members' Damages. ....	13
b. The Settlement's Non-Monetary Terms Also Benefit the Class. ....	15
3. The Settlement Is the Result of Arm's-Length, Informed Negotiation.....	15
4. The Views of Experienced Counsel Support the Reasonableness of the Settlement. ....	16

1	5.	Notice Was Distributed to the Class in Accordance with Due Process Requirements. ....	16
2	6.	Reaction of the Class to Date .....	17
3	C.	The Settlement Is Presumptively Fair Because It Is the Result of Non-Collusive, Arm's-Length, and Informed Negotiations by Experienced Counsel. ....	18
4	D.	Settlement of Penalties under the Private Attorneys General Act of 2004 is Reasonable.....	18
5	E.	The Requested Settlement Administrator Costs Are Reasonable. ....	20
6	IV.	CERTIFICATION OF THE FEHA CLAIM FOR SETTLEMENT PURPOSES IS APPROPRIATE. ....	20
7	V.	CONCLUSION .....	21

## TABLE OF AUTHORITIES

### Page(s)

#### State Cases

<i>7-Eleven Owners for Fair Franchising v. Southland Corp.</i> , 85 Cal. App. 4th 1135 (2000).....	17
<i>Amaral v. Cintas Corp. No. 2</i> , 163 Cal. App. 4th 1157 (2008).....	19
<i>Bartoni v. Am. Med. Response W.</i> , No. RG08382130, 2019 WL 12265864 (Alameda Cnty. Super. Ct. Sept. 13, 2019) .....	19
<i>Bell v. Farmers Ins. Exch.</i> , 135 Cal. App. 4th 1138 (2006).....	14
<i>Carrington v. Starbucks Corp.</i> , 30 Cal. App. 5th 504 (2018).....	19
<i>Cellphone Term. Fee Cases</i> , 180 Cal. App. 4th 1110 (2009).....	10
<i>Dela Cruz v. Addison Lee Inc.</i> , No. RG19021433, 2020 WL 9456675 (Alameda Cnty. Super. Ct. Dec. 16, 2020) .....	19
<i>Diaz v. Grill Concepts Servs., Inc.</i> , 23 Cal. App. 5th 859 (2018).....	12
<i>Hernandez v. Restoration Hardware, Inc.</i> , 4 Cal. 5th 260 (2018).....	10
<i>Kullar v. Foot Locker Retail, Inc.</i> , 168 Cal. App. 4th 116 (2008).....	10, 13, 15
<i>Munoz v. BCI Coca-Cola Bottling Co. of L.A.</i> , 186 Cal. App. 4th 399 (2010).....	18
<i>In re Sutter Health Uninsured Pricing Cases</i> , 171 Cal. App. 4th 495 (2009).....	10
<i>Wershba v. Apple Computer, Inc.</i> , 91 Cal. App. 4th 224 (2001).....	10, 17

#### Federal Cases

<i>Garner v. State Farm Mut. Auto. Ins. Co.</i> , No. 4:08-cv-01365-CW, 2010 WL 1687832 (N.D. Cal. Apr. 22, 2010) .....	17
--	----

1	<i>In re MagSafe Apple Power Adapter Litig.,</i>	
2	No. 5:09-cv-01911-EJC, 2015 WL 428105 (N.D. Cal. Jan. 30, 2015) .....	17
3	<i>Snow v. United Parcel Serv., Inc.,</i>	
4	No. 5:20-cv-00025-PSG-AFM, 2020 WL 1638250 (C.D. Cal. Apr. 1, 2020) .....	19
5	<b>Docketed Cases</b>	
6	<i>Alonzo v. First Transit,</i>	
7	No. BC433932 (L.A. Cnty. Super. Ct., June 10, 2016) .....	19
8	<i>Ellis v. Google, LLC,</i>	
9	No. CGC-17-561299 (San Francisco Cnty. Super. Ct. Oct. 25, 2022) .....	14
10	<i>Jewett v. Oracle Am., Inc.,</i>	
11	No. 17-CIV-02669 (San Mateo Super. Ct. July 12, 2022) .....	11, 14
12	<i>Rodriguez v. Swissport N. Am.,</i>	
13	No. BC441173 (L.A. Cnty. Super. Ct. Apr. 11, 2017) .....	19
14	<b>State Statutes</b>	
15	Bus. & Prof. Code	
16	§ 17200, <i>et seq.</i> .....	2
17	Cal. Gov. Code	
18	§ 12900, <i>et seq.</i> .....	2
19	Cal. Lab. Code	
20	§ 201 .....	2
21	§ 203 .....	2
22	§ 210, <i>et seq.</i> .....	2
23	§ 232 .....	2
24	§ 1197.5, <i>et seq.</i> .....	2
25	§ 2698, <i>et seq.</i> .....	2
26	§ 2699(e)(2) .....	13, 19
27	California Equal Pay Act .....	2, 14
28	Fair Employment and Housing Act .....	<i>passim</i>
	Private Attorneys General Act .....	<i>passim</i>
	Unfair Competition Law .....	2, 12, 20

**Rules**

**Cal. Rule of Court**

3.769(a).....	10
3.769(f) .....	10
3.769(g) .....	10

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

## I. INTRODUCTION

Plaintiffs LaRonda Rasmussen, Karen Moore, Virginia Eady-Marshall, Enny Joo, Rebecca Train, Nancy Dolan, Anabel Pareja Sinn, Dawn Johnson, and Chelsea Buckley, f.k.a. Chelsea Hanke (collectively “Plaintiffs”) seek final approval of a class action and representative action settlement covering allegations of class pay discrimination and derivative claims, including under the Private Attorneys General Act (“PAGA”), against Defendants The Walt Disney Company, *et al.* (collectively “Defendants”).<sup>1</sup>

The proposed Settlement resolves the claims in the case by: (1) creating a non-reversionary, checks-mailed monetary fund of \$43.25 million; and (2) providing non-monetary relief, including the retention of an Industrial/Organizational psychologist to provide training on best practices for organizing jobs within Defendants’ job architecture as well as an outside labor economist to perform pay equity analysis of the class positions for the next three years.

The Court granted preliminary approval of the Settlement on May 20, 2025, after finding that “the proposed Settlement is the product of informed, non-collusive, and arm’s-length negotiations” and that “the proposed Settlement [was] within the range of possible approval as fair, reasonable, and adequate, such that notice should be given to the class.” Order Granting Preliminary Approval of Class Action Settlement (“Prelim. Approval Order”) 2 (¶ 3). Notice was sent to 15,241 Settlement Class Members on June 17, 2025. Decl. of William Argueta Re Notice & Claims Admin. (“Argueta Decl.”) ¶ 8, filed herewith.<sup>2</sup> Notice included each Settlement Class Member’s gross estimated settlement payment and information on how it was calculated. *Id.* ¶ 13. Notice also identified those Settlement Class Members eligible for a share of the PAGA settlement amount, and listed their estimated PAGA Payment. *Id.* The reaction of the class thus far has been positive, with only 0.30% of Settlement Class Members opting out and no objections, which supports final approval. Kan Final

---

<sup>1</sup> The Settlement is attached as Ex. 1 the Declaration of James Kan in Support of (1) Plaintiffs’ Motion for Final Approval of Class & Representative Action Settlement and (2) Plaintiffs’ Motion for Reasonable Attorneys’ Fees, Costs, and Service Awards (“Kan Final Decl.”), filed herewith.

<sup>2</sup> Due to delays in finalizing and printing the Settlement Notices, the Settlement Administrator distributed notice on June 17, 2025, as opposed to June 13, 2025 under the Court’s Preliminary Approval Order. The notice period and all response deadlines were extended accordingly. *Jt. Notice to the Ct. Re: Distribution of Settlement Notice*, filed June 13, 2025.

Decl. ¶ 8. The deadline to opt out is August 16, 2025. By September 2, 2025, the Court will receive a report from the Settlement Administrator on the outcome of the Notice distribution and the Parties' written responses to any objections filed by Settlement Class Members. *Id.* ¶ 9.

Plaintiffs request the Court to grant final approval of the proposed Settlement, including the Settlement amount and the plan for allocation and distribution of Settlement funds. Plaintiffs are concurrently filing a motion for approval of attorneys' fees and costs and service awards to the Named Plaintiffs.

## II. RELEVANT BACKGROUND

### A. Litigation History and Preliminary Approval

Plaintiffs and the certified and Settlement Classes are current and former female employees of Defendants, who worked in California and in certain salaried, full-time, non-union positions below the level of Vice President since April 1, 2015.

Plaintiffs filed their initial complaint on April 2, 2019 and the operative Corrected Fourth Amended Complaint on April 15, 2021. Plaintiffs allege class claims for: (1) violations of the California Equal Pay Act ("EPA"), Cal. Lab. Code § 1197.5, *et seq.*; (2) sex/gender discrimination in violation of the California Fair Employment and Housing Act ("FEHA"), Cal. Gov. Code § 12900, *et seq.*;<sup>3</sup> (3) failure to pay all wages due to discharged and quitting employees in violation of Cal. Lab. Code §§ 201-203, 210, *et seq.*; (4) violation of California Labor Code § 232;<sup>4</sup> (5) violation of California's Unfair Competition Laws ("UCL"), Bus. & Prof. Code § 17200, *et seq.*; and (6) penalties under the Labor Code Private PAGA, Cal. Lab. Code § 2698, *et seq.* The operative Complaint also alleges individual promotion denial claims on behalf of Named Plaintiffs.

On December 8, 2023, the Court certified an EPA class but declined to certify Plaintiffs' FEHA pay discrimination claims. Statement of Decision Granting in Part and Denying in Part Pls.' Mot. for Class Cert. ("Class Cert. Order") at 2, 14, Jan. 30, 2024. The Court also certified Plaintiffs' derivative claims under the UCL and Labor Code section 203. *Id.*

<sup>3</sup> Plaintiffs only sought to certify pay discrimination claims under FEHA.

<sup>4</sup> Plaintiffs did not move to certify this claim.

1 Over the past six years, the Parties have engaged in extensive litigation, including completing  
2 pre-certification discovery, submitting expert reports in relation to class certification briefing, fully  
3 briefing class certification, obtaining an order certifying the EPA class along with derivative claims,  
4 distributing class notice of the certification order, and commencing merits discovery and preparing trial  
5 expert witness work. Class discovery included four experts and related reports and depositions,  
6 depositions of Defendants' Persons Most Qualified (a total of 22 individual witnesses, including one  
7 witness who was both a named and PMQ witness), depositions of the nine Named Plaintiffs, and  
8 depositions of both Parties' experts. The Parties each served and responded to multiple sets of  
9 interrogatories (both form and special). Defendants made 84 document productions, totaling 44,051  
10 pages, and produced voluminous payroll and human resources data. Following class certification, the  
11 Parties engaged in additional substantial discovery on the merits on the certified claims. Plaintiffs  
12 deposed four witnesses and served additional document requests and interrogatories. Defendants made  
13 27 additional document productions containing 38,878 pages, and provided updated payroll and human  
14 resources data. Andrus Decl. in Supp. of Pls' Mot. for Prelim. Approval of Class & Representative  
15 Action Settlement ("Andrus Prelim. Decl.") ¶¶ 5-9, Nov. 25, 2024; Kan Final Decl. ¶ 31.

16 The Parties previously engaged in three mediation sessions on August 18, 2022, September 27,  
17 2022, and October 4, 2023, but were unable to reach a resolution in this case at those times. Following  
18 partial class certification and additional merits discovery, the Parties agreed to a fourth mediation  
19 session with mediator Hunter Hughes, a skilled mediator with experience mediating class-wide pay  
20 discrimination cases. In advance of the mediation, the Parties submitted pre-mediation statements,  
21 separately consulted with the mediator, and had a joint pre-mediation session with the mediator by  
22 Zoom. The Parties then held an in-person mediation session with Mr. Hughes on July 12, 2024. After  
23 that full-day, in-person mediation session, the Parties did not yet agree upon the material terms to a  
24 settlement. Instead, Mr. Hughes subsequently provided a mediator's proposal that the Parties  
25 eventually accepted. The mediation was followed by continued discussions between the Parties over  
26 the following four months to resolve additional material terms of the settlement, and the Parties were  
27 able to reach a formal, written settlement. Andrus Prelim. Decl. ¶¶ 10-14; Suppl. Webber Decl. in  
28 Supp. of Pls.' Mot. for Prelim Approval ("Suppl. Webber Decl.") ¶¶ 3-4, 7, Feb. 10, 2025.

On November 25, 2024, Plaintiffs moved for Preliminary Approval. Per the Court’s request, Plaintiffs submitted supplemental briefing on the issue of whether Plaintiffs’ Individual Settlements create a potential conflict of interest between the Plaintiffs and the Classes. *See* Suppl. Mem. of P. & A. in Supp. of Pls’ Mot. for Prelim. Approval of Class & Rep. Action Settlement (“Suppl. Prelim. Approval MPA”), filed Feb. 10, 2025; Suppl. Webber Decl. In line with the Court’s orders, the Parties also modified the proposed Class Settlement and Class Notice such that (1) the releases do not take effect until the settlement is fully funded, *see* Settlement Agreement ¶¶ 26, 75, 76; (2) payments to Settlement Class Members will be made before any distributions are made for Class Counsel’s fees or expenses, the PAGA Payment to the LWDA, Service Awards, or the Settlement Administrator’s costs, *see id.* ¶ 85; (3) the deadline for written objections is extended to 60 days after notice is disseminated, *see id.* ¶ 65; (4) the deadline for opt-outs is extended to 60 days after notice is disseminated, *see id.* ¶ 66; and (5) Plaintiffs will move for final approval within 30 days after notice is distributed to the Classes, *see id.* ¶ 69. The Parties also modified the class notice per the Court’s orders, including disclosing additional information relating to the individual Named Plaintiffs’ non-class claim settlement agreements with Defendants. Second Suppl. Kan Decl. in Supp. of Pls.’ Mot. for Prelim. Approval of Class & Rep. Action Settlement (“Second Suppl. Kan Decl.”) ¶¶ 1-2, & Ex. 1, April 11, 2025.

On May 20, 2025, the Court granted preliminary approval. The Court’s Order preliminarily approved the proposed Settlement, confirmed the definition of the EPA Class, provisionally certified the FEHA Class, approved CPT Group as Settlement Administrator, approved the form of class Notice, and set September 15, 2025 at 9:00 a.m. for the Final Approval Hearing. Prelim. Approval Order 3-5.

**B. The Settlement**

**1. Monetary Relief**

Defendants have agreed to pay a Total Settlement Amount of \$43.25 million, which includes all settlement payments to the over 15,000 eligible Settlement Class Members,<sup>5</sup> class administration

---

<sup>5</sup> Based on records Plaintiffs had at the time of preliminary approval, Plaintiffs estimated a class size of over 14,000 members and asked for a bid for a class of 15,000 members. Kan Prelim Decl. Ex. 4 (CPT bid). After receiving updated payroll information from Defendants after Preliminary Approval,

1 costs, attorneys' fees and costs, service awards to the Named Plaintiffs, and a \$375,000 PAGA fund  
2 (before deducting 1/3 for attorneys' fees and with 75% of the net amount to be paid to the State of  
3 California). Settlement Agreement ¶ 50. Defendants will separately pay for their share of payroll  
4 taxes. *Id.* ¶ 98. No funds will revert back to Defendants. *Id.* ¶ 50.

5 The Net Settlement Fund, which consists of the amount remaining of the Total Settlement  
6 Amount after deductions for court-approved attorneys' fees and costs, the PAGA Payment, settlement  
7 administration expenses, and service awards, will be allocated and distributed based on the Plan of  
8 Allocation to each Settlement Class Member who has not opted out of the Settlement Classes. *Id.*  
9 ¶¶ 35, 88 & Ex. B. Under the Plan of Allocation, Plaintiffs' labor economist has and will use  
10 substantially the same statistical model presented at class certification, which calculated a 0.58% EPA  
11 Class pay shortfall and a 2.01% FEHA settlement class pay shortfall (both of which Defendants  
12 dispute), subject to appropriate discounts, to calculate proportional shares for Participating Settlement  
13 Class Members. Settlement Ex. B. Participating Settlement Class Members will each receive a  
14 minimum payment of \$200. *Id.* Ex. B.

15 The PAGA Payment, after deduction of approved attorneys' fees and costs, shall be allocated  
16 as follows: 75% of the net PAGA Payment to be paid to the LWDA and 25% of the remainder to be  
17 paid to all PAGA Group Members on a per person basis, whether or not they have opted out of the  
18 Settlement or action. *Id.* ¶ 92.

19 Estimates of each Settlement Class Members' gross settlement amounts and PAGA award were  
20 included with Notice mailed on June 17, 2025. Argueta Decl. ¶ 13.

21 Subject to Court approval, the Settlement allocates the following amounts to be deducted from  
22 the Gross Settlement Amount: \$250,000 for distribution to resolve the PAGA Claims; requested  
23 Service Awards of \$10,000 for each of the nine Named Plaintiffs as proposed or confirmed Class  
24 Representatives, totaling \$90,000 (for LaRonda Rasmussen, Karen Moore, Virginia Eady-Marshall,  
25 Enny Joo, Rebecca Train, Nancy Dolan, Anabel Pareja Sinn, Dawn Johnson, and Chelsea Buckley;  
26  
27

28 \_\_\_\_\_  
the settlement class size was determined to be 15,241. Kan Final Decl. ¶ 5.

1 attorneys' fees of up to one-third of the Total Settlement Amount;<sup>6</sup> reimbursement of litigation costs  
2 and expenses advanced by Class Counsel not to exceed \$1.8 million; and Settlement Administrator  
3 costs. Settlement Agreement ¶¶ 35, 88, 92, 93, 103.

4 Settlement Payments will be mailed to all participating Settlement Class Members (unless they  
5 submit a valid request for exclusion, in which case only their PAGA payment will be sent). Settlement  
6 Class Members will have 180 days from the initial mailing of payments to negotiate their checks.  
7 Settlement Agreement ¶ 100. Any funds that remain uncashed after the 180-day void date will be  
8 transferred the California State Controller's Office and held in the respective Settlement Class  
9 Members' names in the Unclaimed Property Fund. *Id.* ¶ 102.

## 10 **2. Non-Monetary Relief**

11 Defendants have agreed to implement several meaningful components of non-monetary relief.  
12 First, Defendants have agreed to retain or continue to retain an outside labor economist to conduct  
13 privileged pay equity analyses over the next three years to identify whether any potentially statistically  
14 significant pay differences exist. If they do, Defendants will take appropriate steps to address the pay  
15 differential. Defendants will report to Class Counsel regarding the completion of annual pay equity  
16 analyses and action taken to address any pay differential found. Second, Defendants will work with an  
17 Industrial-Organizational psychologist to provide training to Defendants' Compensation personnel  
18 involved in organizing jobs within Defendants' job architecture on best practices for benchmarking  
19 jobs to external market data and organizing jobs within Defendants' job architecture. And finally, if  
20 Defendants begin using performance ratings in annual evaluation processes in either 2025 or 2026 and  
21 plan to use ratings as a control in their annual pay equity analyses above, Defendants will conduct a  
22 privileged analysis of the ratings to ensure there are no statistically significant gender disparities for  
23 the relevant population. *Id.* ¶¶ 79-81.

24  
25  
26  
27 <sup>6</sup> These fees will be inclusive of attorneys' fees for the PAGA Payment. In other words, the allocation  
28 for PAGA claims will be a gross amount of \$375,000 or net \$250,000 after deducting 1/3 for proposed  
attorneys' fees. The PAGA Payments will be made from \$250,000 net amount. Settlement  
Agreement ¶ 92; Kan Prelim. Decl. ¶ 8.

1           **3. Class Definition and Class Period**

2           The Class Period is April 1, 2015 through December 28, 2024. This Settlement includes the  
3 already certified EPA Class and a proposed FEHA Settlement Class. Settlement Agreement ¶¶ 48, 27,  
4 30.

5           The EPA Class is defined as:

6                 Women who have been or will be employed by a Disney-Related Company in  
7 California, between April 1, 2015 and December 28, 2024, below the level of Vice  
8 President, and in a salaried, full-time, non-union position with a Job Level of B1-  
B4, T1-T4, TL, P1-P6, P2L-P5L, M1-M3, A1-5, E0, E1, or E1X assigned to a full  
job family that is not “other.”

9 *Id.* ¶ 27. The FEHA Settlement Class is defined same as the EPA class but does not have the  
10 requirement of being assigned to a full job family that is not “other.” *Id.* ¶ 30. Both Classes exclude:  
11 (a) individuals working in Hulu, ESPN, Pixar, 21st Century (Fox), FX, National Geographic, Bantech,  
12 and ILM; (b) employees in the HR Compensation job family; (c) in-house employment counsel; (d)  
13 any paralegals and legal assistants involved in assisting with respect to this case; and (e) any judge to  
14 whom the case is assigned and immediate family members of such judge. *Id.* ¶¶ 27, 30.

15           **4. Settlement Administrator and Administration Costs.**

16           CPT Group was appointed as Settlement Administrator. Prelim. Approval Order 4 (¶ 6). The  
17 Settlement provides that the Settlement Administrator’s fees and expenses will be paid out of the Total  
18 Settlement Amount. Settlement Agreement ¶ 88. CPT Group estimated its costs would be \$74,500.  
19 Kan Prelim. Decl. Ex. 4, Nov. 24, 2024. CPT Group will charge a total of \$77,000 for all costs  
20 associated with the administration of the settlement, including expected future administration tasks to  
21 bring this settlement to completion. Argueta Decl. ¶ 20. This includes all costs incurred to date in the  
22 amount of \$43,758.85, as well as estimated costs involved in completing the settlement, including  
23 mailing checks to Settlement Class Members and issuing appropriate tax forms, monitoring the award  
24 distribution, responding to inquiries, and reporting to the Court prior to a final compliance hearing. *Id.*

25           **5. Tax Treatment of Settlement Payments**

26           Under the Settlement Agreement, 40% of each Settlement Class Member Award shall be  
27 allocated to Form W-2 wages, and 60% to penalties, liquidated damages, interest, and other non-wages  
28 subject to Form 1099 reporting. *Id.* ¶ 89. Each PAGA Award shall be allocated as 100% penalties

1 subject to Form 1099 reporting. *Id.* ¶ 92. The Settlement Administrator will report or calculate from  
2 the Net Settlement Fund each Eligible Settlement Class Member’s share of the settlement, employee  
3 taxes, deductions, contributions and other amounts required to be paid to government agencies and/or  
4 tax authorities, which amounts then shall be paid by the Class Administrator from the Settlement Fund.  
5 *Id.* ¶ 89. Defendants are responsible for payment of all employer payroll taxes. *Id.* ¶ 98.

6 **6. Scope of Release and Final Judgment**

7 The release contemplated by the proposed Settlement corresponds to the class and  
8 representative claims that were or could have been raised arising from or based on facts alleged in the  
9 Amended Complaint or the PAGA notices dated July 5, 2019, September 18, 2019, and November 21,  
10 2024. *Id.* ¶¶ 75, 76; Kan Prelim. Decl. ¶ 19 & Ex. 3 (copy of Plaintiffs’ November 21, 2024 amended  
11 LDWA Notice Letter).

12 Specifically the Settlement Class Release provides:

13 In consideration for their awarded Settlement Shares, as of the date the settlement  
14 becomes Effective, all Class Members who do not timely opt out will release all  
15 claims asserted or that could have been asserted on behalf of the Classes under the  
16 provisions of the Amended Complaint, including without limitation claims under  
17 the California EPA, gender-based FEHA pay discrimination claims, waiting time  
18 claims, PAGA claims, California Labor Code section 232 claims, California Labor  
Code section 210 claims, and UCL claims, based on the facts alleged in the  
Amended Complaint that occurred between April 1, 2015 and the date of  
Preliminary Approval. Such claims include claims for wages, statutory penalties,  
civil penalties, attorneys’ fees and costs, interest, (the “Class Members’ Released  
Claims”).

19 Settlement Agreement ¶ 75.

20 All PAGA Group Members will release the PAGA Claims described herein and receive a  
21 portion of the PAGA Payment, regardless of whether they opt out of the Class. *Id.* ¶ 76.

22 **C. Notice Provided to the LWDA**

23 Plaintiffs have provided the LWDA with notice of the Settlement and the preliminary and final  
24 approval hearings. Kan Final Decl. ¶¶ 2, 14-15. On November 25, 2024, Plaintiffs notified the  
25 LWDA of the Settlement Agreement, as well as the date, time, and location of the January 10, 2025  
26 preliminary approval hearing. Second Suppl. Kan Decl. ¶ 3. On March 17, 2025, Plaintiffs informed  
27 the LWDA of the Amended Settlement agreement and date, time, and location of the March 24, 2025  
28 preliminary approval hearing. *Id.* ¶ 4. The Amended Settlement Agreement did not modify any of the

1 PAGA-related terms. *Id.* On April 10, 2025, Plaintiffs gave notice to the LWDA of the amended  
2 Class Notice, as well as the date, time, and location of the May 9, 2025 preliminary approval hearing.  
3 *Id.* ¶ 5. The Amended Notice also did not modify any of the PAGA-related terms. *Id.* Finally, on  
4 June 25, 2025, Plaintiffs notified the LWDA of the date, time, and location of the final approval  
5 hearing. Kan Final Decl. ¶ 15 & Ex. 2. As of July 14, 2025, the LWDA has neither opposed nor  
6 objected to the Settlement’s PAGA allocation. *Id.* ¶ 16.

7 **D. The Named Plaintiffs’ Separately Negotiated Settlement of Individual, Non-Class**  
8 **Promotion Claims.**

9 The nine Named Plaintiffs in this case negotiated separate agreements to settle their individual,  
10 non-class promotion claims. Settlement Agreement ¶ 3; Suppl. Webber Decl. Ex. 5 (compilation of all  
11 nine Named Plaintiffs’ Settlement Agreements). The total amount of these separate agreements is  
12 \$1.16 million for Named Plaintiffs non-class claims, and \$583,333 for attorneys’ fees. These totals,  
13 along with the range of the individual settlements were disclosed in the Class Notice. Argueta Decl.  
14 Ex. A (Settlement Notice 6).

15 **E. The Court-Approved Settlement Notice Was Successfully Distributed to Settlement Class**  
16 **Members.**

17 On June 17, 2025, CPT Group mailed Court-approved notice to Settlement Class Members,  
18 informing them of the deadline to mail an opt out form or objection and of the date of the final  
19 approval hearing. Argueta Decl. ¶ 8. The Notice also informed Settlement Class Members of their  
20 estimated Settlement Payment and estimated PAGA award. *Id.* ¶ 13.

21 Additionally, copies of the Notice were emailed to all Settlement Class Members for whom  
22 valid, known email addresses exist. *Id.* ¶ 8. The Settlement Administrator performed skip-tracing with  
23 respect to notices initially returned as undeliverable. *Id.* ¶¶ 11, 14 .

24 In addition to direct notice, the Settlement Administrator published a website with information  
25 about the settlement, including a summary of key dates, such as the deadline to object or opt-out,  
26 contact information for the Settlement Administrator, and important court documents. *Id.* ¶ 10.

27 To date, no Settlement Class Members have objected and 46 requested exclusion from the  
28 settlement (0.30% of class). *Id.* ¶ 15; Kan Final Decl. ¶ 8.

1                   **III.     THE COURT SHOULD GIVE FINAL APPROVAL TO THE SETTLEMENT**  
2                   **BECAUSE IT IS FAIR, REASONABLE, AND ADEQUATE.**

3           **A.     The Two-Step Approval Process**

4           A class action settlement requires “approval of the court after [a] hearing.” Cal. Rule of Court  
5 3.769(a). Court approval is a two-step process: (1) the court undertakes a preliminary review of the  
6 fairness, reasonableness, and adequacy of the settlement, and (2) the court conducts a detailed review  
7 after notice has been distributed to Settlement Class Members for their comments or objections. *Id.* at  
8 3.769(c)-(g); *Cellphone Term. Fee Cases*, 180 Cal. App. 4th 1110, 1118 (2009).

9           After notice of settlement has been distributed, then the court considers the extent of opt-outs,  
10 evaluates any objections, and makes a final determination whether to approve the settlement. Cal.  
11 Rule of Court 3.769(f), (g); *Cellphone Term. Fee Cases*, 180 Cal. App. 4th at 1118. In deciding  
12 whether a settlement is reasonable at the final fairness stage courts consider: (1) “the risk, expense,  
13 complexity and likely duration of further litigation, including the risk of maintaining class action status  
14 through trial;” (2) the strength of the plaintiff’s case balanced against the settlement amount; (3) “the  
15 extent of discovery completed and the stage of the proceedings;” (4) “the experience and view of  
16 counsel” and (5) “the reaction of the class members to the proposed settlement.” *Kullar v. Foot Locker*  
17 *Retail, Inc.*, 168 Cal. App. 4th 116, 128 (2008) (quoting *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th  
18 1794, 1801 (1996)).

19           The trial court has broad discretion in determining whether a settlement is fair. *See In re Sutter*  
20 *Health Uninsured Pricing Cases*, 171 Cal. App. 4th 495, 504-05 (2009). A “presumption of fairness”  
21 exists when: (1) a settlement is reached through arm’s length bargaining; (2) investigation and  
22 discovery are sufficient to allow counsel and the Court to act intelligently; (3) counsel is experienced  
23 in similar litigation; and (4) the percentage of objectors is small. *Wershba v. Apple Computer, Inc.*, 91  
24 Cal. App. 4th 224, 245 (2001) (internal citation omitted) (disapproved of on another ground by  
25 *Hernandez v. Restoration Hardware, Inc.*, 4 Cal. 5th 260, 269 (2018)).

26           **B.     The Settlement Merits a Final Finding of Reasonableness.**

27           In granting preliminary approval, the Court evaluated Plaintiffs’ detailed briefing regarding the  
28 Settlement’s fairness, reasonableness, and adequacy. The Court has already found that the Settlement

1 is the product of informed, non-collusive, and arm's-length negotiations and found the proposed  
2 Settlement to be within the range of possible approval as fair, reasonable, and adequate. Prelim.  
3 Approval Order 2 (¶ 3). Based on the lack of objections and low number of requests for exclusion to  
4 date (46 exclusion requests, representing 0.30% of the class), Plaintiffs do not anticipate that any future  
5 objections or the number of opt outs will change the evaluation of the settlement as fair, reasonable,  
6 and adequate. The Court should grant final approval of the Settlement.

7 **1. The Risks, Delay, and Expenses Plaintiffs and the Class Would Face Absent**  
8 **Settlement Are Substantial.**

9 As Plaintiffs described in detail at preliminary approval, the Settlement is reasonable when  
10 weighed against the risks, expense, and likely duration of continued litigation. While Plaintiffs are  
11 confident in the merits of their positions, they recognize the risks associated with moving forward to  
12 trial with their certified class claims and with pursuing certification of their FEHA claim on appeal.

13 As to the EPA claims, the Court's order certifying Plaintiffs' EPA claims indicates the relative  
14 strength of these claims. Still, significant risks remain related to decertification, loss on the merits at  
15 trial, or appeal. Kan Prelim. Decl. ¶ 26(a). At class certification, the Court acknowledged Defendants'  
16 arguments that the EPA class claims would be unmanageable at trial and ordered Plaintiffs to submit a  
17 detailed trial plan after merits discovery. Class Cert. Order 14; Minute Order, Feb. 9, 2024 (setting  
18 deadline for Plaintiffs to submit a trial plan). Defendants would likely challenge any trial plan  
19 presented by Plaintiffs based on their contention that the EPA claims are unmanageable. Thus it is  
20 uncertain if the Court would decertify the EPA class, and there is precedent for decertification of an  
21 EPA pay discrimination class based on manageability concerns.<sup>7</sup> Kan Prelim. Decl. ¶ 26(a)

22 In addition, the EPA class faces risk on the merits. In granting class certification, the Court  
23 recognized that "[a]lthough Defendants have addressed some potential legal and factual shortcomings,  
24 most, if not all, can be resolved on a classwide basis." Class Cert. Order, 11. At trial, the factfinder  
25 could credit the opinions of Defendants' experts over those of Plaintiffs' experts, which could prevent  
26

---

27 <sup>7</sup> See Order Granting Oracle America, Inc.'s Second Motion for Decertification, *Jewett v. Oracle Am.,*  
28 *Inc.*, No. 17-CIV-02669 (San Mateo Super. Ct. July 12, 2022), Kan Final Decl. Ex. 14 (reversing grant  
of class certification of EPA pay discrimination claims based on concerns around trial plan  
unmanageability).

1 Plaintiffs from establishing their prima facie case or significantly reduce damages owed. Even if  
2 Plaintiffs win at trial, Settlement Class Members could have to wait years for any payment while  
3 Defendants pursue lengthy appeals. Kan Prelim. Decl. ¶ 26(a).

4 Plaintiffs' waiting time penalties and UCL claims are derivative to the certified EPA claims.  
5 Class Cert. Order, 11. In certifying these derivative claims, the Court did not address their merits.  
6 Plaintiffs anticipate that Defendants will challenge Plaintiffs' claim for waiting time penalties on the  
7 basis that Defendants did not willfully fail to pay wages when class members separated because they  
8 have a good faith dispute about whether unpaid wages were owed. *Diaz v. Grill Concepts Servs., Inc.*,  
9 23 Cal. App. 5th 859, 868 (2018) (noting that "A good faith dispute can exist even if the employer's  
10 proffered defense is 'ultimately unsuccessful,' but not if the defense is also 'unsupported by any  
11 evidence, [is] unreasonable, or [is] presented in bad faith'"), quoting Cal. Code Regs., tit. 8,  
12 § 13520(a). If this good faith dispute argument is credited, Plaintiffs and the Class could recover no  
13 waiting time penalties. Kan Prelim. Decl. ¶ 26(b). Plaintiffs' UCL claims extend the statute of  
14 limitations, but any restitution under the UCL is derivative of the unpaid wages recovered under the  
15 EPA and FEHA. *Id.*

16 For Plaintiffs' class FEHA pay claims, the Court denied certification, which significantly  
17 undermines the strength of this claim. Prevailing on these claims would first require an appellate  
18 reversal of the Court's order denying certification. Despite Plaintiffs' confidence of success on appeal,  
19 they recognize the possibility that they may lose the appeal and recover nothing for these claims. Even  
20 if Plaintiffs prevail on appeal, the Class would face additional significant delay due to the pending  
21 appeal(s) (including the possibility that Defendants appeal an adverse appellate decision), issuance of  
22 the remittitur, the need to distribute notice to the FEHA class, time and resources to conduct merits  
23 discovery, motion practice regarding summary judgment or decertification, and finally conducting a  
24 trial on the FEHA class claims. Furthermore, the outcome of remanded class FEHA claims would not  
25 be without risk. As with Plaintiffs' EPA claims, Defendants would likely seek to decertify the FEHA  
26 claims based on alleged deficiencies in the trial plan Plaintiffs propose and the factfinder at trial could  
27 credit Defendants' experts or witnesses on the ultimate merits of the claim. If either of these scenarios  
28 occurred, Plaintiffs would recover nothing for their FEHA claims. Kan Prelim. Decl. ¶ 26(c).

1 Plaintiffs' representative PAGA claims face the same risks as Plaintiffs' EPA and waiting time  
2 claims as they are derivative of those Labor Code claims. The PAGA claims have the additional risks  
3 that penalties could be reduced for a variety of factors, which makes a sizeable award of penalties even  
4 more uncertain. *See* Cal. Lab. Code § 2699(e)(2); Kan Prelim. Decl. ¶¶ 26(e), 27(g); *see infra*, Section  
5 III.D.

6 If litigation is prolonged, Plaintiffs would incur significant additional expenses, including  
7 attorneys' fees and other litigation costs. These include, but are not limited to, the costs of expert  
8 reports for the merits stage, additional merits-stage depositions, and the significant costs of preparing  
9 for and litigating at trial. Such fees and costs would ultimately lower any class recovery connected  
10 with a future settlement. Kan Final Decl. ¶ 13.

11 **2. In Light of Significant Litigation Risks, the Settlement Provides Reasonable**  
12 **Compensation for Settlement Class Members' Damages and Meaningful Non-**  
**Monetary Relief.**

13 The amount of the settlement in light of the strength of the plaintiffs' case is the most important  
14 "reasonableness factor." *See Kullar*, 168 Cal. App. 4th at 130. This \$43.25 million, non-reversionary  
15 Settlement will provide Settlement Class Members with a substantial payment for their claims, as well  
16 as meaningful non-monetary relief for current and future women working for Defendants, without the  
17 risks, costs, and delays associated with continued litigation. The Court should reaffirm its finding that  
18 this settlement is "fair, reasonable, and adequate." Prelim. Approval Order 2.

19 **a. The Settlement Provides Significant Compensation for Settlement Class**  
20 **Members' Damages.**

21 CPT Group estimates that the average award is \$1,726 (net after deductions for settlement  
22 administration costs, service awards, and attorneys' fees and costs). Argueta Decl. ¶ 19. All  
23 Settlement Class Members are guaranteed a minimum award of at least \$200. *Id.*

24 The Settlement's monetary relief compares favorably with Class Counsel's calculations of the  
25 realistic exposure to Defendants on the class claims. Kan Prelim. Decl. ¶ 27. Plaintiffs' labor  
26 economist expert, Dr. Neumark, has calculated a class average pay shortfall of 0.58% for women in the  
27 EPA Class and 2.01% for women in the FEHA Settlement Class. *Id.* ¶ 27(a). Using these shortfalls,  
28 Dr. Neumark's statistical model estimates a maximum exposure for lost wages of \$153 million,

1 including \$24 million for the EPA claim and \$128 million for the FEHA claim. These figures increase  
2 to a maximum exposure of \$275 million (inclusive of interest at 10%, statutory penalties, and  
3 liquidated damages) with \$61 million for the EPA claim and \$179 million for the FEHA claim. *Id.*  
4 ¶ 27(b).<sup>8</sup>

5 As Plaintiffs explained during preliminary approval, the \$43.25 million Total Settlement  
6 Amount is roughly 15% of Plaintiffs' maximum assessment of recovery or 28% percent of alleged  
7 wage loss (without interest, liquidated damages, and statutory penalties). However, given the  
8 substantial litigation risks associated with Plaintiffs' uncertified FEHA claims, FEHA exposure is  
9 appropriately reduced to 25%. In that case, this Settlement represents roughly 31% of Plaintiffs'  
10 realistic maximum exposure or 76% of realistically recoverable alleged lost wages (excluding interest,  
11 liquidated damages, and statutory penalties. The \$43.25 million Total Settlement Amount also  
12 represents 70% of the total EPA claim exposure (including liquidated damages and interest) and 177%  
13 of lost wages for the certified EPA class. Kan Prelim. Decl. ¶¶ 27(c)-(d).

14 This percentage recovery is consistent with recently approved class settlements alleging similar  
15 California Equal Pay Act or pay discrimination claims. *See, e.g., Jewett v. Oracle Am. Inc.*, No. 17-  
16 CIV-02669 (San Mateo Cnty. Super. Ct. Oct. 16, 2024), Kan Final Decl. Ex. 6 (approving California  
17 Equal Pay Act class settlement where class recovery represented 7-8% of the Class EPA claim  
18 exposure or 19-21% of the EPA wage damages); *Ellis v. Google, LLC*, No. CGC-17-561299 (San  
19 Francisco Cnty. Super. Ct. Oct. 25, 2022), Kan Final Decl. Ex. 8 (approving of class California Equal  
20 Pay Act settlement where recovery represented 14% of maximum damages exposure or 21% of  
21 maximum exposure without interest or penalties).

22 Thus the Settlement provides substantial relief without the risks of continuing to litigate the  
23 certified EPA claims and uncertified FEHA claims.

24  
25  
26 <sup>8</sup> The Parties agree that for taxation purposes, 40% of the settlement payment will be considered wages, and  
27 60% will be considered non-wage income. Settlement Agreement ¶ 89. This estimate is reasonable,  
28 because it mirrors Plaintiffs' EPA total damages exposure analysis for proportion of W-2 wages versus 1099  
compensation (such as liquidated damages and 10% interest applicable under California law). Kan Prelim.  
Decl. ¶ 17, *see Bell v. Farmers Ins. Exch.*, 135 Cal. App. 4th 1138, 1150 (2006) (affirming 10 percent  
prejudgment interest rate on unpaid wages).

1                   **b.       The Settlement’s Non-Monetary Terms Also Benefit the Class.**

2           The Settlement also provides non-monetary terms that will benefit current and future  
3 employees. Settlement Agreement ¶¶ 78-81. The non-monetary terms support Defendants’ ongoing  
4 work related to classifying jobs and benchmarking compensation to the market, which are practices  
5 Plaintiffs discuss in this lawsuit. This relief is designed to further promote pay equity within  
6 Defendants’ job architecture. Kan Prelim. Decl. ¶ 27(i).

7           Defendants will enact the non-monetary relief terms for three years, through 2027. Settlement  
8 Agreement ¶ 80. This 3-year term is appropriate because Plaintiffs’ statistical expert found that the  
9 class pay disparity decreased for each year of data analyzed and Plaintiffs expect that the non-monetary  
10 terms will further promote pay equity. Kan Prelim. Decl. ¶ 11.

11                   **3.       The Settlement Is the Result of Arm’s-Length, Informed Negotiation.**

12           The Court previously found that “the proposed Settlement is the product of informed, non-  
13 collusive, and arm’s-length negotiations.” Prelim. Approval Order 2 (¶ 3). That finding was based on  
14 this settlement being reached with the assistance of experienced mediator, Hunter Hughes, after three  
15 earlier attempts at mediation did not result in a settlement. Mr. Hughes has extensive experience  
16 resolving complex discrimination class actions. After a full day of mediation did not result in an  
17 agreement, Mr. Hughes later made a mediator’s proposal that was accepted by both Parties several  
18 days later. *Kullar*, 168 Cal. App. 4th at 129 (In determining whether a settlement represents an arm’s-  
19 length negotiation, courts give “considerable weight” to the “involvement of a neutral mediator.”).  
20 The Parties spent an additional four months negotiating the details of the Settlement after the  
21 mediator’s proposal was accepted. Andrus Prelim. Decl. ¶¶ 10-14.

22           The Parties were also well-informed prior to settlement. As detailed above (Section II.A), the  
23 Parties completed extensive class certification discovery prior to briefing class certification, and had  
24 completed a substantial amount of merits discovery in anticipation of summary judgment briefing and  
25 trial. *See* Andrus Prelim. Decl. ¶¶ 5-9. Plaintiffs obtained enough information to arrive at a reasonable  
26 estimate of Defendants’ exposure and the risks associated with Plaintiffs’ claims.

27           Prior to the Court’s order granting preliminary approval, Plaintiffs fully briefed the issue of  
28 whether the independent individual settlements of non-class claims (“Individual Settlements”) create a

1 potential conflict of interest between the Plaintiffs and the Classes. *See* Suppl. Prelim. Approval MPA.  
2 The Court considered this briefing before finding that the settlement was fair, reasonable, and adequate  
3 and conditionally approving the Plaintiffs as Settlement Class Representatives. Prelim. Approval  
4 Order 1-2. There is no conflict interest here because (1) the Individual Settlements release distinct,  
5 non-class promotion claims that are not covered or released by the class Settlement; (2) the Individual  
6 Settlement payments are proportionate to the value calculated for their individual promotion claims,  
7 just as the Class Settlement payments are proportionate to the calculated value of the class claims  
8 being released; (3) Plaintiffs did not receive any benefit at the expense of the Classes because  
9 Individual Settlement Payments were separately negotiated from the Class Settlement, are not  
10 contingent on approval of the Class Settlement, and are not being deducted from the class fund, and (4)  
11 the Plaintiffs, over six years of litigation, have vigorously represented the class to obtain a fair and  
12 reasonable class settlement. Suppl. Prelim. Approval MPA.<sup>9</sup>

13 **4. The Views of Experienced Counsel Support the Reasonableness of the Settlement.**

14 Class Counsel has extensive experience in class action litigation as reflected by their  
15 appointment as Class Counsel by this Court. Class Cert. Order 12-13; Kan Prelim. Decl. ¶¶ 43-50;  
16 Andrus Prelim. Decl. ¶¶ 20-22; Webber Prelim. Decl. ¶¶ 3-6. Based on their experience, Class  
17 Counsel continue to believe that the Settlement is reasonable considering the litigation risks described  
18 above. Kan Final Decl. ¶ 11; Andrus Final Decl. ¶ 5; Webber Decl. in Supp. of Pls' Mot. for Final  
19 Approval of Class and Representative Action Settlement ("Webber Final Decl.") ¶ 5, filed herewith.

20 **5. Notice Was Distributed to the Class in Accordance with Due Process**  
21 **Requirements.**

22 As described above (Section II.E), the Settlement Administrator provided Settlement Class  
23 Members with notice of the settlement in accordance with the terms of the settlement and this Court's  
24 Order granting preliminary approval. On June 17, 2025, the Court-approved notice was sent by first  
25 class mail to 15,241 Settlement Class Members. Argueta Decl. ¶ 8. The Settlement Administrator also  
26 emailed copies of the Notice and published a settlement website and toll-free phone number. *Id.*

27 \_\_\_\_\_  
28 <sup>9</sup> Rather than repeat the prior briefing, Plaintiffs hereby summarize its main points and incorporate it  
by reference.

1 To date, the notice has reached a high percentage of Settlement Class Members, which  
2 demonstrates that due process requirements were met. *See, e.g., Wershba*, 91 Cal. App. 4th at 251  
3 (courts look to see “whether the notice has a reasonable chance of reaching a substantial number of the  
4 class members”) (internal quotations and citation omitted); *In re MagSafe Apple Power Adapter Litig.*,  
5 No. 5:09-cv-01911-EJC, 2015 WL 428105, at \*10 (N.D. Cal. Jan. 30, 2015) (granting final approval of  
6 consumer class action where notice reached 74% of the class). The Settlement Administrator  
7 performed skip-tracing with respect to notices initially returned as undeliverable. *Id.* As of the filing  
8 of this motion, 31 Notice Packets were returned as undeliverable, which indicates that Notice Packets  
9 were successfully sent to nearly 99% of Settlement Class Members. *See id.* ¶ 14. The Settlement  
10 Administrator has re-mailed 70 Notice Packets based on receiving a forwarding address, skip-trace  
11 efforts, and Settlement Class Member requests. *Id.* ¶ 14. Based on these efforts, and the fact that  
12 information about the Settlement was also provided by email and on the settlement website, the  
13 distribution of notice to the Settlement Class Members has been successful to date.

14 The notice informed Settlement Class Members of the terms of the settlement, provided them  
15 with estimates of their settlement award and PAGA award, and informed them of their option to  
16 participate, opt out, or object and the deadlines to do so. Argueta Decl. Ex. A. Additionally, the  
17 Notice informed class members that Class Counsel will seek attorneys’ fees up to \$14,416,666.67, as  
18 well as up to \$1.8 million in litigation costs, and \$10,000 service awards for each of the nine Named  
19 Plaintiffs. *Id.* Class Counsel is submitting their motion for costs and attorneys’ fees and service  
20 awards concurrently with this motion.<sup>10</sup>

21 **6. Reaction of the Class to Date**

22 The reaction of the Settlement Class thus far has been favorable with no objections and only 46  
23 opt outs. The small opt out and objection rate strongly supports the reasonableness of the settlement.  
24 *See, e.g., 7-Eleven Owners for Fair Franchising v. Southland Corp.*, 85 Cal. App. 4th 1135, 1152-53  
25 (2000) (class’s reaction to proposed settlement was “overwhelmingly positive” where 80 out of 5,454  
26

27 <sup>10</sup> Plaintiffs will post their Memorandum of Points and Authorities in Support of Plaintiffs’ Motion for  
28 Attorneys’ Fees and Service Awards, as well as this Memorandum of Points and Authorities, to the  
settlement website within three days of filing both. Kan Final Decl. ¶ 10.

1 class members opted out and nine objected—a combined rate of 1.63%); *Garner v. State Farm Mut.*  
2 *Auto. Ins. Co.*, No. 4:08-cv-01365-CW, 2010 WL 1687832, at \*15 (N.D. Cal. Apr. 22, 2010) (opt-out  
3 rate of only 0.4% was an “indication of the fairness of the Settlement”).

4 The Settlement Administrator will submit a report including information on any additional opt  
5 outs or objections by September 2, 2025. Class counsel will also address any objections by that date.

6 **C. The Settlement Is Presumptively Fair Because It Is the Result of Non-Collusive, Arm’s-**  
7 **Length, and Informed Negotiations by Experienced Counsel.**

8 As the Court found in granting Preliminary Approval (Prelim. Approval Order 2 (¶ 3)), the  
9 Settlement is presumptively fair because it was reached through arm’s-length bargaining, was  
10 informed by sufficient investigation and discovery, and conducted by experienced counsel. *See Munoz*  
11 *v. BCI Coca-Cola Bottling Co. of L.A.*, 186 Cal. App. 4th 399, 408 (2010) (citing *Dunk*, 48 Cal. App.  
12 4th at 1802). All these criteria remain satisfied and further demonstrate that the Settlement is fair and  
13 should be approved.

14 **D. Settlement of Penalties under the Private Attorneys General Act of 2004 Is Reasonable**

15 Given the risks described above associated with litigating the merits of Plaintiffs’ claims, the  
16 Settlement’s PAGA allocation is appropriate and should be approved. The Settlement creates a  
17 \$375,000 gross or \$250,000 net (after the 1/3 deduction of proposed attorney’s fees) PAGA allocation.  
18 Of this allocation, after the deduction of attorney’s fees, 75% will be distributed to the LWDA and  
19 25% will be distributed to PAGA Group Members who worked during the PAGA period.<sup>11</sup> Plaintiffs  
20 have provided notice of the Settlement, including any amendments to the Settlement Agreement, and  
21 the dates of the preliminary and final approval hearings to the LWDA; to date, the LWDA has neither  
22 opposed nor objected to the Settlement’s PAGA allocation. Second Suppl. Kan Decl. ¶¶ 3-5; Kan  
23 Final Decl. ¶¶ 14-16. Accordingly, the Court should approve the PAGA portion of the Settlement.

24 The estimated PAGA penalties in this case stem from Plaintiffs’ EPA claims and alleged failure  
25 to pay all wages owed at separation. Plaintiffs estimate the maximum exposure on their PAGA claims  
26 is over \$190 million. Kan Prelim. Decl. ¶ 27(f).

27  
28 <sup>11</sup> This is consistent with the recent 2024 amendments to PAGA that increased the percentage allocated  
to aggrieved employees.

1 However, Plaintiffs acknowledge that the likelihood of recovering that full penalty amount is  
2 low. Kan Prelim. Decl. ¶ 27(g). Courts have discretion to reduce the amount of PAGA penalties if the  
3 full award would be “unjust, arbitrary and oppressive, or confiscatory” under California Labor Code  
4 section 2699(e)(2). Courts have used their discretion to lower PAGA penalties where, for example, the  
5 class is already being compensated for Labor Code violations, or where a defendant made a good faith  
6 effort to comply with Labor Code requirements. *See, e.g., Carrington v. Starbucks Corp.*, 30 Cal. App.  
7 5th 504, 529 (2018) (affirming the court’s decision to reduce PAGA penalties).

8 Additionally, the Court may decline to apply penalties for “subsequent” violations after the  
9 initial violation may be awarded, or decline to impose multiple PAGA penalties for the same pay  
10 period when a statute is violated under different theories of liability (i.e. “stacking”). *See, e.g., Amaral*  
11 *v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1209 (2008) (applying PAGA penalties to initial  
12 violations but not to subsequent violations where the employer was not yet notified that they were  
13 violating the Labor Code); *Snow v. United Parcel Serv., Inc.*, No. 5:20-cv-00025-PSG-AFM, 2020 WL  
14 1638250, at \*3 (C.D. Cal. Apr. 1, 2020) (suggesting that plaintiffs may recover only a single penalty  
15 for each type of violation, regardless of how many provisions are being cited as having been violated).

16 The Settlement’s gross PAGA allocation represents 0.87% of the maximum possible PAGA  
17 exposure, and the net PAGA allocation represents 0.58% of this maximum, which falls into the range  
18 of other cases involving both damages and PAGA penalties, including similar allocations approved by  
19 this Court. *See, e.g., Alonzo v. First Transit*, No. BC433932 (L.A. Cnty. Super. Ct., June 10, 2016) (E.  
20 Berle), Kan Final Decl. Ex. 9 (approving \$13,333.33 payment to LWDA out of \$2,000,000 settlement  
21 fund or 0.67%); *Dela Cruz v. Addison Lee Inc.*, No. RG19021433, 2020 WL 9456675 (Alameda Cnty.  
22 Super. Ct. Dec. 16, 2020) (approving \$7,125 payment to LWDA out of \$950,000 settlement fund or  
23 0.75%); *Rodriguez v. Swissport N. Am.*, No. BC441173 (L.A. Cnty. Super. Ct. Apr. 11, 2017), Kan  
24 Final Decl. Ex. 10. (approving \$22,500 payment to LWDA in the out of \$4,9000,000 Total Settlement  
25 Amount or 0.45%); *Bartoni v. Am. Med. Response W.*, No. RG08382130, 2019 WL 12265864  
26 (Alameda Cnty. Super. Ct. Sept. 13, 2019) (approving \$100,000 LWDA payment out of \$17,000,000  
27 settlement fund or 0.58%).  
28

1 The Court should grant final approval of the Settlement's PAGA allocation because it is fair,  
2 adequate, and reasonable.

3 **E. The Requested Settlement Administrator Costs Are Reasonable.**

4 Plaintiffs also seek approval of the requested Settlement Administrator's Costs of \$77,000.<sup>12</sup>  
5 Kan Final Decl. ¶ 18; Argueta Decl. ¶ 20. The Settlement provides that Settlement Administrator  
6 Expenses will be deducted from the Total Settlement Amount (Settlement Agreement ¶ 50).  
7 Settlement Administration expenses include mailing notice to over 15,000 Settlement Class Members,  
8 emailing all class members with a valid, known email address, maintaining a settlement website,  
9 keeping track of opt outs and objections, and mailing final settlement checks. Argueta Decl. ¶¶ 8-12,  
10 20. Given the time and expense required to administer a settlement of this scale and its prior estimate  
11 of administration costs for this case, the requested administration costs are reasonable. Argueta Decl. ¶  
12 20; Kan Final Decl. ¶ 18.

13 Class Notice informed the class that the estimated costs of administering the Settlement would  
14 be approximately \$100,000. Settlement Notice 5, Argueta Decl. Ex. A. As of the filing of this motion,  
15 no Settlement Class Member has objected to the requested Settlement Administration Fees.

16 **IV. CERTIFICATION OF THE FEHA CLAIM FOR SETTLEMENT**  
17 **PURPOSES IS APPROPRIATE.**

18 The Court has already certified Plaintiffs' class EPA claims and derivative UCL and waiting  
19 time penalty claims. Class Cert. Order 14. During preliminary approval, Plaintiffs set forth in detail  
20 the reasons why certification of the FEHA claim for settlement purposes only was appropriate, and the  
21 Court provisionally certified the FEHA claim. *See* Mem. of P. & A. in Supp. of Pls.' Mot. for Prelim.  
22 Approval of Class & Representative Action Settlement 22-25; Prelim. Approval Order ¶ 3. No  
23 Settlement Class Members have thus far raised objections to certification, and the facts and arguments  
24 in support of certification have not changed since preliminary approval. The Court should certify, for  
25 settlement purposes, the FEHA claims.

26  
27  
28 <sup>12</sup> Pursuant to the Preliminary Approval Order, the Settlement Administrator will provide an updated  
estimate of its administration related fees when it submits its report about the Notice distribution  
outcome on September 2, 2025.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

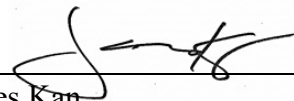
**V. CONCLUSION**

The Settlement which provides substantial monetary and non-monetary relief to the classes is reasonable, adequate, and fair. Plaintiffs respectfully request that the Court (1) grant final approval of the Settlement, and order the Parties to implement the Settlement Agreement according to its terms; (2) certify the FEHA class claim for settlement purposes; (3) appoint Plaintiffs as Class Representatives and Plaintiffs' Counsel as Class Counsel; (4) order Defendants to deposit with the Settlement Administrator the Total Settlement Amount within thirty (30) days of the Effective Date of the Settlement Agreement; (5) order the Settlement Administrator to mail checks to Settlement Class Members within twenty (20) days of the receiving the Total Settlement Amount; (6) approve the allocation and distribution of PAGA penalties as set forth in the Settlement and order the Settlement Administrator to distribute the PAGA penalties according to the terms of the Settlement Agreement; (7) order payment of \$77,000 to the Settlement Administrator, within five days after, but not before, the Settlement Payments are mailed to Settlement Class Members; (8) enter final judgment in this action; and (9) set a date for a compliance hearing to occur after the final accounting of all Settlement distributions is complete.

Dated: July 14, 2025

Respectfully submitted,

DARDARIAN HO KAN & LEE

  
\_\_\_\_\_  
James Kan

*Attorneys for Plaintiffs, the Certified Class,  
and Aggrieved Employees*